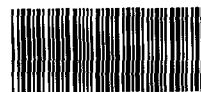


DEPARTMENT OF TOXIC SUBSTANCES CONTROL

Broadway, Suite 350
Signal Hill, CA 90802-4444



SDMS Doc ID 164910

INSPECTION REPORT

DICO Oil Corporation

2700 Rose, Suite K
Signal Hill, CA 90802
(310) 427-9811

EPA No. CAD980737076

Inspected by: E. Lyman Dinkins, Khaled Ramadan, Lisa Murdock &
Joseph Cully

Date of Inspection: August 16-17, 1993

Date of Report: September 24, 1993

I. Purpose

To perform a Non-Major, Non-RCRA CEI Inspection

II. Representatives Present

DICO Oil Corporation:

Richard Cowan, Owner/Operator (August 16-17, 1993)
Ronell Brady, Secretary/Bookkeeper (August 16-17, 1993)
Danette Cowan, Administrative Assistant
(August 16-17, 1993)

Department of Toxic Substances Control (Department):

E. Lyman Dinkins, Hazardous Materials Specialist
(August 16-17, 1993)
Khaled Ramadan, Hazardous Materials Specialist
(August 16-17, 1993)
Lisa Murdock, Associate Hazardous Materials Specialist
(August 16, 1993)
Joseph Cully, Associate Hazardous Materials Specialist
(August 17, 1993)
Joyce Haire, Financial Responsibility Coordinator
(performed financial review only) (September 8, 1993)



recycled paper

III. Owner/Operator

DICO Oil Corporation (DICO) is a California corporation which is wholly owned by Richard Cowan. The property on which the facility is located was formerly owned by a Ms. Bianca Denny. Mr. Richard Cowan assumed personal ownership of the property as the result of a bequest established when Ms. Denny died.

The present address of the facility is 2700 Rose, Suite K Signal Hill, California 90806. Mr. Richard Cowan is responsible for all operations and environmental compliance matters on the facility.

IV. Background

Permitting History

- 8-24-84 EPA sent a letter to DICO advising the facility that the agency had approved the recision of its status as a transporter as the facility had requested. EPA advised DICO of its status as a RCRA exempt oil recycler.
- 5-13-85 DICO submitted an application to the Department of Health Services (DHS) for an Interim Status Document (ISD) to receive, store, treat or recycle used oil.
- 5-13-85 DICO submitted an application to the California Regional Water Quality Board for a Waste discharge Permit
- 4-6-89 The DHS issued an Interim Status Document to DICO. This ISD allows DICO to recycle oil on-site under the condition that the facility would meet financial responsibility requirements within 60 days. The ISD became effective on 3-29-89
- 7-30-93 The California Regional Water Quality Control Board rescinds waste discharge permit because the facility no longer engages in waste discharge to the city sewage system.

surveillance and Enforcement History

- 5-9-85 A DHS representative obtained samples of oil from tanker trucks. These tanker loads were accompanied by manifests that were accepted by DICO. The samples were analyzed by the Southern California Laboratory (SCL) and found to be hazardous.
- 5-20-85 DHS conducted an inspection at DICO and observed records violations, including no written inspection schedule, no waste analysis plan, no contingency plan, no personnel training records, no closure plan, and no financial responsibility assurance.
- 6-6-85 DHS conducted another inspection of DICO and observed Class I violations. These included incomplete operating records, no written inspection schedule, no annual report, no financial responsibility, no closure plan, no personnel training records, an inadequate contingency plan, an inadequate waste analysis plan and no record of waste analysis.
- 2-4-86 The City of Signal Hill notified the DHS that DICO appeared to be operating its facility without secondary containment of spills or leaks. The City of Signal Hill requested the DHS to investigate and supply the city with a report.
- 2-9-86 An inspector from the California Regional Water Quality Control Board investigated DICO and found possible petroleum contamination in the soil. A letter was sent to DICO requesting a site assessment plan.
- 1-2-87 DICO responded to the California Regional Water Quality Control Board by submitting a site assessment plan. DICO also reported that one tank on the facility had been removed.
- 9-29-87 DHS representatives Paul Baranich and Jerry Earley conducted an inspection at DICO in response to a complaint alleging that DICO was accepting non-RCRA waste without a permit. Samples were obtained from the facility and analyzed at SCL. The analysis revealed the waste oil to be hazardous. The following violations were found: no

DICO Oil Corporation
Inspection Report
Page 4

financial assurance, no waste analysis plan, no security, no warning signs posted, no inspection records, no personnel training records, no communication/alarm system, no arrangements with local authorities, inadequate contingency plan, incomplete operating records, no annual reports, no written closure plan, no written closure cost estimate, and containers with hazardous waste were uncovered and unlabelled.

- 10-19-87 DICO submitted to the DHS a letter responding to the inspection carried out a month earlier. DICO contended that the documents alleged to be missing during the inspection had been submitted to the DHS in 1986 and described other actions taken by the facility to come into compliance with the regulations. DICO requested that DHS offer suggestions for compliance rather than an ROV
- 10-20-87 The DHS issued an ROV citing 22 violations against DICO as a result of the 9-29-87 inspection.
- 11-23-87 DICO responded to the ROV and indicated that efforts were being made by the facility to come into compliance. The deadline date for this compliance schedule was set for 12-15-87.
- 12-15-87 DICO made efforts to comply with the ROV issued on 10-20-87 by submitting to the DHS copies of the personnel training plan, waste analysis plan and closure plan.
- 6-10-88 The Financial Responsibility Unit of the DHS evaluated DICO's financial assurance and liability documents and determined that DICO failed to demonstrate the financial responsibility required to manage hazardous waste.
- 6-20-89 The Financial Responsibility Unit (FRU) sent a warning letter to DICO stating that they had not complied with conditions described in their ISD: the 60-day deadline was up 5-29-89 with no compliance achieved by the facility on that date. FRU gave the facility an extension of 10 days to submit the required financial responsibility documents or risk the revocation of the ISD.
- 9-13-89 FRU again reviewed DICO's financial records and observed that DICO was still not in compliance

DICO Oil Corporation
Inspection Report
Page 5

with financial assurance and liability requirements.

9-18-89 FRU issued an ROV against DICO based upon observations from the record review made on 9-13-89.

10-26-89 DICO was inspected by Greg Holmes and Irene
& Muinos of the DHS. Seven potential violations were
11-26-89 observed. These included the following: no written
closure estimate, no copy of closure plan for
inspection, no copy of Biennial Report available, no
evacuation route in contingency plan, no updating
on contingency plan, failure to place hazardous
waste in containers with labels, and falsely
certifying "recycled oil" which did not meet
standards.

11-9-89 The DHS issued an ROV against DICO based on
the violations observed during 10-26-89 & 11-26-89

1-16-90 The Financial Responsibility Unit issued a
Statement of Facts on DICO describing its
financial compliance history for closure and
liability coverage. According to the Statement,
DICO was clearly out of compliance with financial
responsibility requirements as of 1-5-90 and had
not shown good faith efforts to comply. The
Statement recommended the assessment of penalties
of \$27,500 for violating CCR title 22 sections
67003 & 67027.

2-6-90

The DHS issued a Corrective Action Order
(CAO) against DICO for the following violations:
Soil, contaminated with excessive levels of
polychlorinated biphenyls (pcb) being deposited of
at the west side of the driveway on-site and also
being added to the berm surrounding the tank area
on-site; false certification of recycled oil
contaminated with lead; failure to use a certified
laboratory to perform analysis of recycled oil;
failure to possess adequate financial assurance
for closure; failure to provide adequate financial
coverage for sudden accidental occurrences;
failure to prepare and submit a copy of the
biennial report to the DHS by March 1 of the years
1986 and 1988; failure to properly label 14
containers of waste oil drippings; failure to

*have this
attached to
Risk Ass, 90-*

furnish or to make available for inspection its closure plan; and failure to immediately amend its contingency plan when the emergency coordinator for the facility left the employ of DICO.

4-1-91 A Stipulation and Order was issued by the DHS to DICO based on the February 6, 1990 CAO. DICO was directed to pay \$1041.67 per month for 2 years, for a total penalty of \$25,000.

5-7-91 George Baker and Joseph Cully of the DHS met with Richard Cowan, facility owner/operator. Mr. Cowan stated that he would be unable to implement the approved workplan for characterization of the vertical and horizontal extent of soil contamination by PCB's until 1-15-92. Mr. Cowan was directed to cover the areas of contamination by 5-24-91 with visquene, a heavy polyethylene liner, and to inspect weekly. By 11-7-91, he was to have removed all of the contaminated soil. By 1-15-92, he was to have initiated core drilling for subsurface samples.

5-9-91 Joseph Cully and Christine Caseres of the DHS visited the facility to check for compliance with the 4-1-91 settlement agreement. All violations had been corrected, except for the pending removal of the contaminated soil.

12-16-91 Kian Soleiman of the Department of Toxic
& Substances Control (DTSC) conducted a CEI
1-7-92 inspection of DICO and observed 3 potential violations: failure to maintain facility so as to minimize the possibility of an accident or sudden unplanned release of hazardous waste; failure to sign and date manifest; and failure to properly secure a container holding hazardous waste.

2-18-92 The DTSC issued a Field Order against DICO based on the above mentioned inspection and assessed the facility a penalty of \$500.00.

V. General Description of Facility

DICO is located at 2700 Rose, Suite K, Signal Hill, California, 90806. Since 1960, DICO has operated as a waste oil storage and recycling facility. The surrounding area includes both commercial and residential buildings and the actual site of facility operations comprises an enclosed

area of 18,000 square feet. The facility is surrounded by a 6-foot cyclone fence with two entry/exit gates. The property is bounded on the north and south by 28th St. and Willow St. respectively, and on the west and east by Walnut St. and Cherry Ave.

Presently, four persons work at the facility: Mr. Cowan, who is chief operating officer and owner, Jay Cutbirth, employed to handle hazardous waste oil, Ronell Brady, and Danette Cowan who handle office duties.

VI. Hazardous Waste Activity Description

Before purchasing a shipment of oil, DICO collects a sample from the load and subjects it to the Chlor-de-tect screening for halogens and tests of bottom sediments, solids, and water, viscosity and inappropriate odors. Depending on results derived from testing the sample obtained, DICO accepts or refuses to purchase the load. Once DICO accepts a load, oils with varying water and sediment levels are stored in different tanks. DICO mixes oils with varying water and sediment levels to create a marketable fuel. Nothing is added or removed from the waste oil, it is simply blended together. The "recycled oil" is then sold, through brokers, to the bunker oil market as ship fuel. DICO purchases and resells between 2-3 million gallons of oil per annum. Mr. Cowan stated that the facility generates onsite about one 55-gallon drum of waste per month.

Used Oil Storage and Treatment

DICO has six tanks of various sizes, three tanks with a capacity of 21,000 gallons, one tank with a capacity of 42,000 gallons, one tank with a capacity of 31,500 gallons and one tank with a capacity of 8400 gallons. All of these tanks are used to treat and store waste oil of various specifications. These tanks are installed on a gravel base and are labelled "SLOP OIL".

All six tanks are surrounded by a 4-foot dirt containment wall. Oil shipments accepted by DICO are pumped into the tanks from tankers by an underground piping system which provides for intake as well as outlet transfer of oil shipments. This piping system is presently exposed by the construction of a four foot deep trench and inlet and outlet transfer pipes are painted green and red respectively. This trench is within the dirt containment wall and is aligned parallel to tank Nos. 3, and 4, (See Attachment #L). The dirt containment is covered with visquene throughout its entire perimeter. The tanks are regulated as treatment and

storage units in the facility's Interim Status Document (ISD). The only permitted storage beyond the 90-day limit for hazardous waste is within the tanks described above.

Waste oil shipments are supplied from the tanker trucks to any of the above mentioned tanks for storage and treatment (blending). Any sludge sediments generated during the blending process remains in the tank until a decision is made to clean the tank. Any sludge found in the tank at that time constitutes a hazardous waste because of the possibility of the presence of lead and PCB's as hazardous constituents and must be manifested and disposed of off-site. The facility owner stated that he has not had to clean tanks since the last inspection when questioned about that activity. The facility owner also stated that he does not receive, treat or store wastewater in his tanks.

Containers of Miscellaneous Hazardous Wastes

A number of containers are placed throughout the facility which are utilized to hold hazardous waste material such as oily rags, greasy sludges, and other debris generated as a result of operations at the facility. There are 11 drums labelled hazardous waste lined up parallel to and adjacent to the west side of the facility. There are 3 drums and one small square metal tank alongside the dirt containment near one of the oil storage tanks labelled, "4 Slop Oil".

VII. Potential Violations

1. Health and Safety Code, (HSC) section 25201 (a)

DICO violated Health and Safety Code section 25201(a) in that on August 17, 1993, DICO as an operator of an hazardous waste storage facility, stored seven 55-gallons steel containers of hazardous oil and sand waste adjacent to its facility truck pad for greater than 90 days and failed to obtain a hazardous waste storage facility permit or grant of authorization from the Department to use the site indicated above for this purpose.

On August 17, 1993, during a field inspection of the facility, Joseph Cully observed that seven 55-gallon drums containing hazardous waste (oil and sand) were labeled with the following accumulation dates: 9/8/92, 10/2/92, 11/5/92, 12/31/92, 1/15/93, 1/16/93, and 3/17/93. The drums were still on the premises as of the date of the inspection which indicates that these drums were in storage beyond the

DICO Oil Corporation
Inspection Report
Page 9

90 day deadline. Mr. Cowan admitted that he did not know about the 90-day deadline. (See Attachment L, Photo # 10)

2. Title 22, California Code of Regulations (Cal. Code Regs.), section 66265.193 (a)

DICO violated title 22, Cal. Code Regs. section 66265.193 (a), in that on August 17, 1993, DICO failed to provide secondary containment for tanks that meets the requirements of this section in order to prevent the release of hazardous waste or hazardous constituents to the environment.

On August 16, 1993, during a field inspection of the facility, Lyman Dinkins, Khaled Ramadan and Joseph Cully observed that the facility's tanks did not have secondary containment that meets the regulatory requirement. Mr. Cowan admitted upon further questioning that his facility did not have secondary containment that met the requirement. (See Attachment L, Photos # 18,19)

3. Title 22, Cal. Code Regs., section 66265.143(f)(2).

DICO violated title 22, Cal. Code Regs., section 66265.143 (f)(2), in that on September 8, 1993, DICO failed to submit to the Department a proposed alternative financial mechanism for closure costs together with a letter requesting that the proposed mechanism be considered acceptable for meeting the requirements of title 22, Cal. Code Regs., section 66265.143 or section 67450.13, to wit: certificates of deposit.

On September 8, 1993, Ms. Joyce Haire reviewed DICO's financial responsibility documents. Ms. Haire observed that since August 1989, DICO had demonstrated financial assurance for closure costs with Certificates of Deposit. However, there is no record that this activity has received written approval from the Department nor was there any documentation that DICO submitted a request to the Department to permit Certificates of Deposit becoming acceptable as financial instruments for fulfilling the requirements of section 66265.143 (f) (2). (See Attachment #D)

4. Title 22, Cal. Code Regs., section 66265.143

DICO violated title 22, Cal. Code Regs., section 66265.143 in that on September 8, 1993, DICO failed to establish and demonstrate to the Department financial assurance for closure, to wit: DICO is deficient in its

current closure trust fund account by \$58,122. "

On September 8, 1993, Ms. Haire reviewed DICO's financial assurance for closure and observed that DICO was deficient in its financial assurance for closure in the amount of \$58,122. During the review, it was determined that DICO had been paying toward its closure trust fund a sum of \$20,500 at the rate of \$1000 per month into an escrow account in favor of the DHS from August 2, 1989 to October 16, 1990. However, adjusting for inflation, the present closure should be set at \$78,622. Therefore, the fund is deficient by \$58,122. (See Attachment #D)

5. Title 22, Cal. Code Regs., section 66265.142 (b)

DICO violated title 22, Cal. Code Regs., section 66265.142 (b) in that on September 8, 1993, DICO failed to adjust the closure cost estimate for inflation within 60 days prior to the August 2 anniversary date of the establishment of the closure trust fund.

On September 8, 1993, Ms. Joyce Haire's review of DICO's financial responsibility record disclosed that since DICO established financial assurance for closure on August 2, 1989, DICO has not submitted to the Department, on an annual basis, an adjusted closure cost estimate to account for inflation. The Department has no record of any adjustment being submitted. (See Attachment #D)

6. Title 22, Cal. Code Regs., section 66265.173(a)

DICO violated title 22, Cal. Code Regs., section 66265.173 (a) in that on August 17, 1993, DICO failed to keep containers of hazardous waste closed except when adding or removing hazardous waste, to wit: 2 5-gallon buckets labelled hazardous waste were left open on the east side of the truck pad.

During the field inspection, Khaled Ramadan, Joseph Cully and I observed 2 5-gallon plastic buckets labeled "hazardous waste" on the facility left open. (See Attachment #L, Photo # 1,2,4, & 6)

7. Title 22, Cal. Code Regs., section 66265.31

DICO violated title 22, Cal. Code Regs., section 66265.31 in that on August 17, 1993, DICO failed to maintain or operate the facility in a manner to minimize the possibility of fire, explosion or release of hazardous waste or hazardous waste constituents to air, soil or surface

DICO Oil Corporation
Inspection Report
Page 11

water which could threaten human health or the environment, to wit: (a) oil had leaked to the soil adjacent to the base of tank # 3, (b) oil was puddled on the top of one drum adjacent to the 250 gallon square steel tank, (c) oil was spilled on the top of the square steel tank

During the field inspection on August 17, 1993, Khaled Ramadan, Joseph Cully and I observed several specific sites located under the oil transfer piping systems which demonstrated significant leakage of waste oil directly on to the soil. We also observed containers leaking oil (See Attachment #L, Photo # 1,2,5,6)

8. Title 22, Cal. Code Regs., section 66265.191(a).

DICO violated title 22, Cal. Code Regs., section 66265.191(a), in that on August 16, 1993, DICO failed to determine whether tanks on the facility are leaking or unfit and to keep written integrity assessments certified by a registered professional engineer for tanks without secondary containment.

During the record review on August 16, 1993, I questioned Mr. Cowan about the tank certification on the facility. Mr. Cowan admitted he had not conducted any certification procedure on the facility tanks. The tanks do not have secondary containment sufficient to protect the soil from releases of hazardous waste. The present containment consists only of a dirt berm covered with visquene. (See Attachment #L, Photo 20)

9. Health and Safety Code, section 25250.17(a).

DICO violated title 22, Cal. Code Regs., section 66265.75 in that on August 16, 1993, DICO failed to submit a report, on or before March 1, of each year, to the Department, on a form provided by the Department containing all of the information regarding the total volume of used oil processed at the beginning and end of the preceding calendar year.

During the record review on August 16, 1993, I reviewed the annual report provided by the facility and observed that the report did not provide information concerning transfer of used oil to and from the facility in Sections C and D of the annual report. There was also no information on the volume of used oil at the beginning and ending dates for the reportable period in Section D of the report. Finally, there was no information on the amount of used oil

transferred from the facility in Section C of the report.
(See Attachment #F)

10. Title 22, Cal. Code Regs., section 66265.32 (c)

DICO violated title 22, Cal. Code Regs., section 66265.32(c) in that on August 17, 1993, DICO did not provide proper decontamination equipment and proper spill control, to wit: the facility did not have any spill control equipment such as shovels, mops, absorbent material and bucket designated for such a purpose, nor was there any emergency shower.

During the field inspection on August 17, 1993, Khaled Ramadan, Joseph Cully and I observed that decontamination equipment designated by the facility owner consisted only of: 1) garden hose attached to a water faucet as an emergency shower and 2) a hand-operated spray can functioning as an emergency eye-wash. This equipment does not fulfill the design specifications of equipment needed for emergency decontamination procedures. We also observed that the spill control system is virtually non-existent because only a trench and dirt berm provided protection against spills. There is no protection against contact of hazardous waste with the soil. (See Attachment #L, Photo 19)

11. Title 22, Cal. Code Regs., section 66265.13(b)

DICO violated title 22, Cal Code Regs., section 66265.13(b) in that on August 16, 1993, DICO failed to follow its facility waste analysis plan by not testing for flash point and organic halogens as specified in the waste analysis plan.

During the record review, I questioned Mr. Cowan on his implementation of the waste analysis plan for incoming shipments of hazardous waste. He indicated that he depends primarily on generator information plus screening incoming shipments by the Chlor-de-tect method for total halogens and specific gravity determination for bottom solids and water. He admitted that he did not periodically carry out all prescribed analytical procedures indicated in the waste analysis plan in order to "fingerprint" incoming oil shipments and maintain waste analysis profiles of incoming shipments on the facility. He said that he considered this practice too expensive. He stated that He sends samples out for certified lab analysis on outgoing "recycled" oil only. However, the regulation referenced above states that the waste analysis plan must describe the frequency with which the initial analysis of the waste must be reviewed.

12. Title 22, Cal. Code Regs., section 66265.15 (b) (2)

DICO violated title 22, Cal Code Regs., section 66265.15(b)(2) in that on August 16, 1993, DICO failed to keep a copy of the inspection schedule on the facility.

During the record review on August 16, 1993, I reviewed the inspection records which I observed to be adequate, but when I requested the inspection schedule which described the procedures and objectives of the inspection exercise, the facility owner admitted he did not have it available on the facility for inspection.

13. Title 22, Cal. Code Regs., section 66265.54(e)

DICO violated title 22, Cal. Code Regs., section 66265.54(e) in that on August 17, 1993, DICO failed to update its Contingency Plan by not including an eyewash in the list of equipment.

During the field inspection, Mr. Cowan, the facility owner, showed us the hand-pumped spray can for emergency eye-wash. Later check of the Contingency Plan indicated no listing of this equipment. Therefore, the Contingency Plan was not update to reflect equipment presently in use. (See Attachment G, Attachment L, Photo #9)

VIII. Observations

Record Review

Khaled Ramadan, Lisa Murdock and I arrived at the facility on August 16, 1993 at 2:00 pm. We met Mr. Richard Cowan, the owner/operator and identified ourselves as representatives of the Department. We asked for permission to conduct an inspection of the facility which was granted by the owner. I asked Mr. Cowan to describe the process by which his facility recycles used oil. The information he provided is found in the "Hazardous Waste Activity" section of this report.

We asked for permission to inspect his hazardous waste management files. We reviewed the facility Contingency plan, Operating Log, Manifest log, Personnel Training Records, Inspection log, Waste Analysis Plan, and Biennial Report. We found all these documents to be adequate. We also reviewed the facility Closure Plan which we also found to be adequate. However, when we requested a review of the inspection schedule, Mr. Cowan admitted he did not have a

copy available for inspection.

I asked Mr. Cowan to provide me with a copy of the Used Oil Annual Report which the facility is required to keep on file. Mr. Cowan responded to my request and allowed me to review the report. During my examination, I observed significant omissions of required information regarding transfer and movement of used oil to and from the facility I explained to Mr. Cowan that omissions of required information represented a violation and that he should make an effort to correct this violation. He stated he would do so.

I also discussed the specifics of the waste analysis plan with Mr. Cowan regarding the testing of incoming shipments. Although Mr. Cowan stated that he conducts analysis of outgoing oil on samples provided to a certified lab, he does not provide samples of incoming oil shipment for testing by a certified lab. He claimed it was too expensive. I reminded Mr. Cowan that he must still meet the requirements of his facility's waste analysis plan and "fingerprint" samples of incoming oil shipments. To not do so is in violation of the regulations associated with the facility waste analysis plan. I advised Mr. Cowan that he should comply with this by instituting periodic analysis of incoming samples by a certified lab. Previously reviewing the facility file before beginning the inspection, I noted that according to the Stipulation and Order issued on April 1, 1991, DICO was directed to pay to the Department a sum of \$25,000 by April 1, 1993. I questioned Mr. Cowan as to whether he had completed the payment schedule on the Stipulation and Order. Mr. Cowan answered that he had not yet paid the full balance. I informed him that failure to complete the payment schedule could put the facility in serious difficulties with the Department. One week after the inspection, Mr. Cowan sent me a copy of the balance payment submitted to the Department. (See Attachment P)

Field Inspection

I returned to the facility on August 17, 1993, accompanied by Khaled Ramadan and Joseph Cully. We arrived at the facility at 1:30 P.M. We met Mr. Cowan at the facility office and requested permission to conduct a field inspection of the facility. He granted us permission. We commenced the walk-through. As we passed through the gate, we noted the posted hazardous waste signs and observed them to be adequate.

Passing through the facility in a southward direction, we noticed a storage area containing about 10 drums labeled "hazardous waste". On closer examination, Joseph Cully identified seven 55-gallon drums containing hazardous waste marked with the following accumulation dates: 9/8/92, 10/2/92, 11/5/92, 12/31/92, 1/15/93, 1/16/93 and 3/17/93. A photo was taken of one of the drums. The drums were still on the premises as of the date of the inspection which indicates that these drums were in storage beyond the 90-day deadline. The inspection team noted that the contents of the drums consisted of oil and sand. (See Attachment L, Photo #10).

Continuing the walk-through, the inspection team noted several 5-gallon plastic buckets labeled as "hazardous waste" but without cover lids. We also observed that these buckets were placed near the earthen berm adjacent to the tanks. We observed that there was a square metal portable tank and a nearby 55-gallon drum which showed evidence of leaking hazardous waste oil, no accumulation start dates on the portable tank, clear evidence of leaking hazardous waste oil from transfer piping systems directly to the soil, and no adequate secondary containment to prevent spills of hazardous waste oil from coming into contact with the soil. I also observed contaminated soil where the spillage occurred. I observed no spill pad.

I observed that there is neither a shower nor an eyewash on the facility. Mr. Cowan stated that a garden hose attached to a water faucet and a hand-pumped sprayer has been designated to function as decontamination equipment on the facility. During our walk-through, the inspection team observed that the treatment/storage tanks appeared to be in good order. According to the facility owner, only tank # 2 was presently storing incoming shipments of waste to be later blended and certified for sale as "recycled oil". In response to our questions about the presence of sludge in the tanks, Mr. Cowan stated that he makes every effort to avoid collecting sludge in the tanks by collecting incoming shipments of oil with a minimum of bottom solids and water. Mr. Cowan also stated he has not found it necessary to clean out his tanks and manifest off-site any collected sludge or wastewater at present.

At the 4-foot trench in front of tank #4, we observed oily waste oozing from the soil alongside an underground pipe and decided to return to the facility at a later date to sample both the soil near the oozing waste and contents from the tank where the oil shipment was being maintained. After our walk-through, we returned to the facility owner's

office for a discussion with management.

The facility has a small laboratory which is used only for determination of specific gravity and a small tool shed. There was no evidence of waste management violations at those two sites.

IX. Sampling Summary

Mr. Khaled Ramadan, Mark Fuentes and I arrived at the facility on September 3, 1993 at 2 P.M. We immediately contacted Mr. Cowan and requested permission to take samples of oil from tank # 2 and soil samples from the area adjacent to the base of tank # 3. Mr. Cowan granted us permission to commence sampling. He also granted us permission to take photographs. To obtain the oil sample, we requested the facility owner to assist in drawing the sample from the tank (tank # 2). He complied and directed Mr. Jay Cutbirth to withdraw a sample of oil from the tank in our presence. This was done and a duplicate sample was withdrawn in order that the facility could undertake its own analysis. The sample was drawn with a bomb sampler and transferred to a glass container (16 oz) and labelled Sample No. DICO-IN-2. Mr. Ramadan performed the labelling while I took photographs.

The sampling team next selected a site in the trench area adjacent to the base of tank #3 and tank #4 that showed evidence of oil coming into contact with the soil. While Mark Fuentes took photographs, I sampled soil from the side of the trench with a plastic trowel and transferred the sample into a 16 oz glass jar. This sample was labelled DICO-T3-SA. I selected the next site about 4 feet south from the first site (along the side of the trench) where there was evidence of oozing. I sampled soil with a new plastic trowel and transferred the sample into a 16 oz glass jar. This sample was labelled DICO-T4-SA. Mr. Ramadan labelled the sample jars and signed the chain of custody for all the samples. Evidence tape was secured to each sample jar by Mr. Ramadan. At the conclusion of sampling, the sampling team verified the number of samples taken with the facility owner, provided the facility owner with co-located samples, prepared a sample receipt form for the facility owner's signature and offered the receipt for his signature. He signed the receipt, and we provided him with a photocopy. Mr. Ramadan turned custody of the samples over to me until we reached the HML in downtown L.A. We left the facility about 3:30 P.M. and travelled to the HML lab where I relinquished custody of the samples to Russ Chin.

X. Discussion with Management

On August 17, 1993, Khaled Ramadan, Joseph Cully and I held an exit interview with the facility owner. We discussed the violations that we had observed during the record review. I reminded Mr. Cowan that completing the annual report properly was an important compliance exercise. I also reminded Mr. Cowan about the necessity of keeping the inspection schedule available at all times. He said that he would correct those deficiencies.

* [In reviewing the field inspection, I informed Mr. Cowan that eight violations were identified. These include the following: storage of generated waste beyond the 90-day limit without a permit; failure to keep hazardous waste containers closed; poor handling of hazardous waste containers that create leakage; leakage of hazardous waste to the soil; lack of proper decontamination equipment; unlabelled containers of hazardous waste; failure to mark accumulation start date; tanks without secondary containment not being tested and certified; I also discussed with Mr. Cowan the problem arising from not completely following the waste analysis plan to develop fingerprint waste profiles for his incoming wastes. He still was of the opinion that full scale analysis of incoming samples was too expensive and hoped that the Department would be lenient in demanding compliance for this activity. He stated that the facility was experiencing some financial difficulties which might force it into bankruptcy.

Regarding the payment schedule directed by the Stipulation and Order issued by the Department against the facility, I urged Mr. Cowan to make expeditious efforts to pay off the balance to avoid further problems. I prepared a field report of violation listing 11 potential violations with an indication of future additional violations upon the completion of the financial review. I gave a copy of this field ROV along with a copy of the Inspection Checklist. Mr. Cowan signed the field ROV and obtained a photocopy for himself. Mr. Ramadan, Mr. Cully and I left the facility at 4 P.M.


XI. Attachments

Attachment A - Part A Application

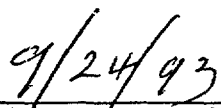
Attachment B - Facility Site

Attachment C - Field Report of Violation


- Attachment D - Financial Review
- Attachment E - Waste Analysis Plan
- Attachment F - Annual Report
- Attachment G - Contingency Plan
- Attachment H - Sampling Plan
- Attachment I - Sample Analysis Requests
- Attachment J - HARP's for Inspection and Sampling Activity
- Attachment K - Interim Status Document
- Attachment L - Photographs
- Attachment M - Shipping Order and Certification for Recycled Oil
- Attachment N - Sample Receipts signed by Facility Owner
- Attachment O - Generator/ISD Checklist with CAPS Form
- Attachment P - Copy of Check Representing Balance Payment
Against Stipulation and Order Issued to the
Facility by the Department of Health Services



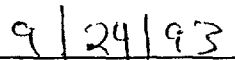
E. Lyman Dinkins
Hazardous Materials Specialist
Surveillance and Enforcement Branch



Date Prepared



Sharon Fair
Unit Chief
Surveillance and Enforcement Branch



Date Reviewed